

**WASHINGTON. D.C.** – House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) today sent a letter to the Inspectors General of federal agencies receiving funds from the ‘American Recovery and Reinvestment Act’ calling on them to put “proactive measures in place to ensure these billions do not fall victim to programmatic failures and bureaucratic mishaps.”

“Sudden influxes of funds outside the normal appropriations process have traditionally caused programmatic challenges within agencies,” Issa wrote. “If the Troubled Asset Relief Program is any indication, unchecked efforts to rapidly spend billions of dollars involve significant risks of waste, fraud, and abuse, and raise serious questions about the appropriate distribution of taxpayer dollars.”

Issa expressed his concern with the status quo protocol of identifying waste after the fact, rather than being more diligent in preventing it, “We are aware that Inspectors General traditionally conduct audits of waste, fraud, and abuse after the fact,” he wrote. “Due to the unprecedented spending involved, however, this cannot be the way ahead. Unlike with the TARP, we must have a clear path toward fiscal responsibility. There must be proactive measures in place to ensure these billions do not fall victim to programmatic failures and bureaucratic mishaps.”

**A text of the letter sent to each department Inspector General is provided below:**

On February 17, 2009 President Obama signed the American Recovery and Reinvestment Act into law. This law allocates nearly \$800 billion to fund government run programs that promise to put Americans to work and stimulate the economy. A sizable portion of this money has been allocated to the U.S. Department of Agriculture. Due to the accelerated timeline for disbursement, however, we are concerned the USDA may not be prepared to exact the necessary oversight measures to ensure fiscal responsibility.

Sudden influxes of funds outside the normal appropriations process have traditionally caused programmatic challenges within agencies. If the Troubled Asset Relief Program is any indication, unchecked efforts to rapidly spend billions of dollars involve significant risks of waste, fraud, and abuse, and raise serious questions about the appropriate distribution of taxpayer dollars. With the TARP, there was never a clear idea as to the purpose of the program, how the money was to be spent, and whether American households would actually benefit from the unprecedented spending. Six months later, Americans have been saddled with enormous debt with nothing to show for it. Proper oversight at the inception of the program would have prevented this.

The Inspector General Community can play a critical role in preventing this from happening again. According to the Inspectors General Act, every Inspector General is charged with promoting economy, efficiency, and effectiveness in the administration of, and preventing and detecting fraud and abuse in, the programs and operations of their respective departments and agencies. Inspectors General can fulfill this duty in several ways. The most effective method, however, is to conduct thorough assessments of programs and initiatives prior to funding, and to perform continuous oversight throughout the life of a project. In so doing, agencies can maximize efficiency and prevent waste, fraud, and abuse at the outset.

We are aware that Inspectors General traditionally conduct audits of waste, fraud, and abuse after the fact. Due to the unprecedented spending involved, however, this cannot be the way ahead. Unlike with the TARP, we must have a clear path toward fiscal responsibility. There must be proactive measures in place to ensure these billions do not fall victim to programmatic failures and bureaucratic mishaps.

Some Inspectors General have already begun implementing proactive measures. We request that you provide us with information regarding your plan to do the same. If you have no plan to take preemptive action, we demand that you devise one and implement this plan before any money is allocated to any Department program.

Please submit the requested information and contact the Committee staff to schedule a briefing no later than February 26, 2009.

Thank you in advance for your prompt attention to this matter. Please contact Molly Boyl at 202-225-5074 should you require any additional information.